



U.S. Senate Committee on Appropriations

PRESS RELEASE

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Contact: Rob Blumenthal (202) 224-1010 / John Bray (202) 224-3751

Chairman Inouye Responds to House CR Proposal

WASHINGTON, DC – Senate Appropriations Committee Chairman Daniel K. Inouye, (D-Hawaii) released the following statement in response to tonight’s release of the FY 2011 Continuing Resolution by the House Appropriations Committee:

“We can all agree on one thing: The fiscal challenges facing our nation are real, and we must all work together to address them in a serious way or face grave consequences. Our nation’s exploding debt has resulted from more than a decade of misguided policies: ill-advised tax cuts for the wealthy, two major wars that have not been paid for, and exploding entitlement costs. This is not a problem that appeared overnight, and is certainly not going to be rectified by one piece of legislation that covers discretionary spending for a single fiscal year.

“It is clear from this proposal that House Republicans are committed to pursuing an ineffective approach to deficit reduction that attempts to balance the budget on the back of domestic discretionary investments, which constitute only a small percentage of overall federal spending. The priorities identified in this proposal for some of the largest cuts - environmental protection, healthcare, energy, science and law enforcement - are essential to the current and future well-being of our economy and communities across the country. Such an approach would knock the legs out from under our nascent economic recovery, kill jobs, and do virtually nothing to address the long-term fiscal crisis facing our country. Try as they might to convince the American people otherwise, it is simply not possible to balance the budget by targeting 15 percent of federal spending - no matter how deep the cuts are.

“I am disturbed that some Republicans have indicated a willingness to allow a government shutdown. No responsible elected official should even consider such an option. The consequences of a shutdown would be immediate and dire, including potential disruptions of Social Security and tax refund payments, and significant damage to our nation’s economy and job creation.

“We can find the right balance when it comes to discretionary spending - one that meets the essential needs of our citizens while ensuring that taxpayer dollars are spent wisely. I look forward to meeting that challenge in the coming weeks, as we negotiate a final agreement on funding the government for the remainder of the fiscal year.”

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February 2011 Facts About Federal Spending

“If you hear a politician get up and say, ‘I know we can get this done. We're going to get rid of all earmarks; all waste, fraud and abuse; all foreign aid; Air Force One; all congressional pensions.’ That's just sparrow belch in the midst of the typhoon. That's about six, eight, ten percent of where we are. So, I'm waiting for the politician to get up and say, ‘There's only one way to do this: You dig into the big four -- Medicare, Medicaid, Social Security, and defense.’ And anybody giving you anything different than that, you want to walk out the door, stick your finger down your throat, and give them the green weenie.” - *Alan Simpson, co-chair of President Obama's debt commission, appearance on CNN's "State of the Union," February 6, 2011.*

For Fiscal Year 2011, federal spending will comprise \$3.7 trillion:

Mandatory Spending (Outlays): 63 percent

43 percent: Social Security, Medicare, Medicaid (\$1.573 trillion)

14 percent: Other mandatory spending (Income Security, interest on the debt, etc.) (\$536 billion)

6 percent: Civilian and military retirement and other veterans benefits (\$224 billion)

Discretionary Spending (Outlays): 37 percent

22 percent: National Defense, Homeland Security, Veterans, Iraq and Afghanistan (\$810 billion)

15 percent: All other agencies of the federal government (\$565 billion)